

CBS Agrees to Acquire Maker of Educational Materials for Schools

Stock Valued at Some \$13 Million
Would Be Exchanged for Shares
Of Creative Playthings, Inc.

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Columbia Broadcasting System, Inc., has agreed in principle to acquire Creative Playthings, Inc., a Princeton, N.J., supplier of educational materials and toys for nursery schools and kindergartens, for stock valued at about \$13 million.

Goddard Lieberman, vice president of CBS and president of Columbia Records, a CBS division, and Frank Caplan, president of Creative Playthings, said the acquisition is subject to approval of both companies' directors and shareholders of Creative Playthings.

Under the proposed terms, 0.62 shares of CBS stock could be exchanged for each of

Creative Playthings 481,360 shares outstanding.

CBS common closed on the New York Stock Exchange yesterday at \$44.625, down 62½ cents. Creative Playthings was quoted recently in the over-the-counter market at about \$19 bid.

If the acquisition is approved, Creative Playthings would operate in the Columbia Records division of CBS. Mr. Lieberman said this would complement that division's existing educational activities. Frank Caplan, president of Creative Playthings, said the acquisition would give the company access "to new resources to expand our contribution to child development and education."

Creative Playthings also operates The Learning Center in Princeton, which is devoted to developing new teaching techniques for young children. In the first six months of fiscal 1966, which ended Oct. 31, the company reported earnings of \$167,450, or 35 cents a share, on sales of \$2,703,959.